Putting the "Community" into Community Banking

Local bank invests in new ideas for reviving Ohio towns.

By Gene Stowe Correspondent

Croghan Colonial Bank of Fremont, Ohio, sponsored a trip for seven downtown merchants in March, 2010, to attend Jon Schallert's Destination Business BootCamp in Colorado, where they learned his energizing insights into growing their businesses.

Since they returned from the 2 1/2-day experience, downtown Fremont is in the midst of an entrepreneurial transformation, with business owners spreading their wealth of understanding to neighbors in meetings they call "mini-Schallerts."

Folks in Fremont and far beyond are tasting success, including a share of the 270-pound world's largest chocolate-peanut butter Buckeye. And Croghan Colonial Bank is enjoying an affection rare for financial institutions these days, as they've seen a significant return on their investment as well as a positive outlook in the community.

"Banks used to be seen as the cornerstone of their community," says Michelle McGovern, Croghan's former marketing director who wrote a case study documenting the initiative's success. Her independent study, based on her tracking, found that the program generated nearly $160,000 in free publicity and a 23-percent increase in deposits in six months in the pilot downtown Fremont area.

"The industry has gotten away from that. Banks have the opportunity to capture again their role as cornerstone of financial health for their community. Now is exactly the right time for banks to dig-in and help communities recover."

Schallert's proprietary 14-step Destination Business program can help. He developed the approach, aimed at independent business owners, entrepreneurs, retailers and restaurateurs, after 10 years with Hallmark Cards and 15 years on his own consulting with business owners across the country.

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The Destination BootCamp, aimed at making small businesses irresistible destinations for local and out-of-market customers, focuses on identifying each shop's distinct points-of-difference and developing a "unique positioning statement", combined with strategies for spreading the word with modern technology and old-fashioned referrals.

It looked like a solution for downtown Fremont businesses.

Where business reinvention begins: Owners from around the globe travel to Longmont, Colorado to attend Schallert's 2 1/2-day Destination BootCamp, where they learn his 14-step strategy.

"We knew that Jon's Community Reinvention Program could make a huge difference for us in the downtown area," says Julie Kreilick, owner of the Looking Good Aveda Salon. "If we could pull together to make incremental improvements, we could not only improve our own businesses, but really affect the traffic flow down here for all of us."

Among other things, owners are encouraged to create attention-grabbing elements for their business, like the World's Largest Buckeye created by Donna McNemar at Coco Beans Candy & More and a glittering trophy that stops just short of Fremont Athletic Supply's 12-foot ceiling.

"A lot of things reinforced things that I had heard, whether I had been implementing them or not," says Bob Hammer, who opened the athletic supply store 23 years ago. "There's something there for everybody – the new entrepreneurs as well as the old."

Hammer and seven other Fremont business owners, along with Angie Morelock, Executive Director of Downtown Fremont Inc., attended Schallert's BootCamp in March with the Croghan Colonial Bank Small Business Reinvention Scholarship. Morelock also took on the task of Community Coordinator, a requirement of Schallert's program, with her role being to organize the group before, during, and for six months after the BootCamp.

Morelock's involvement started two years prior when she was trying to find the funds to participate in Schallert's program, but she had been unsuccessful. When McGovern learned in November, 2009 that Morelock's latest grant request to send the business owners through the program hadn't been approved, she saw an opportunity, and quickly saw benefit in the bank's support for the initiative.

"I immediately knew the bank had to send those businesses," McGovern says. "The mission of Croghan Colonial Bank is to support the financial well-being of the communities they serve. No organization can do that by running ads in newspapers. But we could do it by helping people grow their businesses. Especially in this economy, the right thing to do was crystal clear."

Morelock says her downtown business owners realized they were getting a game-changing opportunity.

"When Michelle announced Croghan's scholarship at the Downtown Business Association meeting, the room was quiet for a long time," she recalls. "You could see people start to realize that they were getting an opportunity they had really stopped hoping for. It was beautiful and overwhelming."

Bank officials say they paid the BootCamp tuitions – less than the cost of a few newspaper ads – to demonstrate their community support and to foster growth that will bring business.

First capture their attention: Owner Donna McNemar sculpted a 270-pound Buckeye, setting the world record. She then sliced it up, sold it off, and gave the proceeds to a local charity.

The Downtown Fremont group: from left, Donna McNemar, Coco Beans Candy & More; Schallert; Morelock; Julie Smothers, Ralph's Joy of Living; Bob Hammer, Fremont Athletic Supply; Marie Perkins, DaVinci's Gallery & Coffee House; Deb Hellman, WAMH Design; Julie Kreilick, Looking Good Aveda Salon; and Gerry Gonya, Harvey Oaks Jeweler.

The world's tallest trophy: Bob Hammer's 12-foot creation gets customers looking up and taking notice of Fremont Athletic Supply's award-winning products and services.

Angie Morelock, Executive Director of Downtown Fremont Inc., tried for two years to raise funds to help her downtown business owners attend Schallert's BootCamp. Then Croghan Colonial Bank stepped forward with their own marketing dollars, creating a win-win for Morelock's downtown, and the bank's reputation and bottom-line.

"Croghan's taking action in this case speaks volumes about who they are without having to run a single ad or say a single word," McGovern says. "It's experiential and infinitely more credible. Ultimately, the choice for me and the bank's management team was clear.

"Grassroots efforts allow you to invite consumers to care so much about what you're doing that they become your biggest supporters. Suddenly, you have a credible, voluntary sales force that is carrying your message forward with more velocity than a single marketing department could manage."

With the success of the group from Fremont, Croghan Colonial Bank again sponsored another group of retailers to attend Schallert's BootCamp, this time from Norwalk, Ohio, six months later. Norwalk is another of the bank's seven communities, and the bank won the Norwalk Economic Development Corporation's first annual entrepreneur award for its sponsorship, as well as drawing public praise from Norwalk's mayor, Sue Lesch.

"Schallert's program is inspiring our community's businesses to reinvent themselves," wrote Lesch. "Our businesses are on fire with new ideas."

Croghan's creative initiative in both cities has helped correct a negative perception from people who heard of bank bailouts and failures without distinguishing between risk-taking giants and stable community institutions such as Croghan, which was founded in 1888.

Croghan, which supports a range of community causes from sports teams and charities to 4-H and service clubs, is making a slide show of their community involvement and the BootCamp experience to show in its lobbies.

"Schallert's program is **inspiring our community's** businesses to reinvent themselves"

"Several years ago we had a focus group come together from the community," says Jodi Albright, Vice President of Retail Sales for Croghan Colonial Bank. "One of the things we heard was that with banks in general, but especially Croghan, they don't know what we do for the community.

"There's not enough communication to the community. We talk about being a community bank, but we don't talk about what we do for the community."

The special welcome that Croghan employees now receive when walking in downtown Fremont and Norwalk businesses is part of a newly upbeat environment that comes from the BootCamp experience shared by so many owners.

Change your businesses-change your community: When Croghan Colonial Bank was looking for another group to reinvent their community, Kristie Wert's downtown Norwalk, Ohio program jumped at the opportunity.

The Norwalk BootCamp team: From left, Lynn Bolden Moser, Finance Service of Norwalk; Linda Sheppard, Lindale Embroidery; Garry Balduff, Balduff's Flooring and Carpet Cleaning; Sheri Thomas, Sheri's Coffee House; Kim Arter, Amish Heirloom Furniture; and Doug Berry, Berry's Restaurant. (Not pictured, Jennifer Saunders, The Bargain Bin)

"Since our group went to the BootCamp, we have really bonded, and our business relationships are now very personal," says Marie Perkins, owner of DaVinci's Gallery & Coffee House.

"We no longer talk about a particular business by name necessarily but send people to 'Julie's Store' or tell our customers to be sure to check out 'Donna's shop' across the street. It gives a face to the store or business and lets the customer know that these people are our friends. I think it's been a wonderful addition to the culture of our downtown."

Croghan is considering supporting the attendance of more business owners to the Destination BootCamp in its other towns where it has a bank presence.

After the BootCamp, groups in Schallert's Community Reinvention Program get a follow-up in-person visit from Schallert, monthly phone calls and study materials to keep them focused. The sponsoring community also receives a free workshop presented by Schallert.

"Our businesses are on fire with new ideas."

Schallert's ongoing coaching, as well as his destination-creation focus, sets him apart from the host of improve-your-business consultants, participants say.

"I don't see this ending," Morelock says. "I think this partnership has started something and it's definitely a movement. If we can be pulling people in from a larger time zone, it's going to benefit all of us.

"It's exciting to see what each business is doing differently and taking out of it, stepping up and stepping away from what they've done in the past."

One-on-one: Schallert discusses traffic-flow changes with Marie and Gary Perkins of DaVinci's Gallery & Coffee House in Fremont. Once a community sends a group of owners to BootCamp, Schallert comes to their city, presents a workshop, and individually consults with every owner in their business.

Feeling the joy: Julie Smothers (below right, with her kitchen gadgets), co-owner of Ralph's Joy of Living in Fremont, realized her store's ads were average while at the BootCamp. With the help of New York-based Clownbike.com Agency, her advertising now highlights the people and products that make her business different, and sales are booming.

Before

After